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The Health Bill You've Waited For

Our plan removes taxes and mandates, while offering tax credits to help Americans afford coverage.

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“ObamaCare is collapsing,” President Trump said during his address to Congress last week, “and we must act decisively to protect all Americans.” House Republicans have heard the president’s message loud and clear. On Monday night the congressional committees we lead released the American Health Care Act, which will rescue those hurt by ObamaCare’s failures and lay the groundwork for a patient-centered health-care system.

Our fiscally responsible plan will lower costs for patients and begin returning control from Washington back to the states, so that they can tailor their health-care systems to their unique communities. The bill will improve access to care and restore the free market, increasing innovation, competition and choice.

The legislation provides immediate relief from ObamaCare by eliminating the penalties attached to the individual and employer mandates. Washington will no longer force Americans to purchase expensive, inadequate plans they don’t need and cannot afford.

Our bill also dismantles the ObamaCare taxes that have hurt patients, job creators and health-care providers. It repeals taxes on prescription drugs, over-the-counter medications, health-insurance premiums and medical devices.

The legislation works to ensure a stable transition away from ObamaCare. It preserves and protects insurance for the more than 150 million Americans who receive employer-sponsored health coverage. It provides ObamaCare enrollees with access to the existing financial support for their plans through the end of 2019. People will also be able to use their ObamaCare subsidy

to purchase expanded insurance options—including catastrophic coverage—without being tied to the failing exchanges.

Our plan preserves vital patient protections. Young Americans can continue coverage on their parents' plans until age 26. People with pre-existing conditions cannot be denied policies. Nobody can be charged more for getting sick—period.

To prevent people from unfairly gaming the system, driving up costs for everyone else, we propose a new protection for patients who maintain continuous coverage in the individual and small-group markets. A similar “continuous coverage” provision already exists for those who get insurance through an employer. Extending this safeguard is a simple but important reform that will give patients an incentive to enroll and stay enrolled. This protection is based solely on enrollment status, ensuring that patients will be treated equally no matter how healthy or sick they are.

Additionally, our legislation establishes a Patient and State Stability Fund to help low-income Americans afford health care and to repair the damage done to state markets by ObamaCare. States that take advantage of this new fund will have broad flexibility to develop innovative programs like Maine's invisible high-risk pool or Alaska's state-based reinsurance program. If they choose, states may also use these resources to increase access to preventive services, like getting an annual checkup. This program gives states new tools and flexibility to care for their unique patient populations.

Our legislation strengthens Medicaid, which is a critical lifeline for millions of Americans. But Medicaid's flaws—it offers patients fewer choices and less access to quality care than private insurance—were worsened by ObamaCare's expansion of the program. To unwind it responsibly, our legislation would freeze new enrollment in ObamaCare's Medicaid expansion, while grandfathering in existing enrollees. People currently covered under the expansion would stay in the program if they remain eligible. Over time, as their incomes or eligibilities change, they will naturally cycle off Medicaid and receive other help accessing private insurance.

We also refocus Medicaid's limited resources to the patients most in need. Our legislation proposes a bipartisan idea known as a "per capita allotment" to determine a fair amount of funding for each state based on the number of enrollees in its Medicaid population.

Following President Trump's direction, our legislation provides tax credits to help Americans pay for the health-care options they want—not the ones forced on them by Washington. The bill repeals ObamaCare's flawed subsidies, effective in 2020. After that, individuals and families who don't receive insurance through work or a government program become eligible for between \$2,000 and \$14,000 in tax credits a year. These credits, based on age and family size, will give millions of people new flexibility and freedom to buy insurance tailored to their needs. The full credit would be available to Americans with low or middle incomes and would slowly phase out as they climb the pay scale.

Our plan will strengthen and expand health-savings accounts so Americans can save and spend their health-care dollars the way they want and need. We nearly double the amount of money people can contribute into their HSAs—\$6,550 for individuals and \$13,100 for families. And the bill will broaden HSAs to cover even more expenses, including over-the-counter medications.

The bill is now online for our constituents and colleagues to review, and the committees we lead will consider it later this week. Our open process will give lawmakers on both sides of the aisle the opportunity to weigh these policies, offer amendments and vote on the final product.

After seven years of ObamaCare's failures, Republicans are committed to lowering costs, expanding choices and putting the American people back in charge of their own health care.

Mr. Brady, a Texas Republican, is chairman of the House Ways and Means Committee. Mr. Walden, an Oregon Republican, is chairman of the House Energy and Commerce Committee.